A BILL TO BE ENTITLED

AN ACT TO ALLOW AUTOMOBILE INSURERS TO ESTABLISH AND IMPLEMENT
INSURER-SPECIFIC DRIVER INCENTIVE PLANS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-36-65 is amended by adding a new section to read:

"(n) An insurer writing nonfleet private motor vehicle insurance may, instead of
setting rates pursuant to the Safe Driver Incentive Plan under subsection (b) of this section, elect to
develop, file, and implement an insurer-specific driver incentive plan in accordance with the
requirements of this subsection. An insurer that makes no election shall implement the Safe Driver
Incentive Plan as filed by the North Carolina Rate Bureau.

(1) Contents of insurer-specific plan. – The insurer-specific driver incentive plan
shall adequately and factually distinguish among various classes of drivers that
have safe driving records and various classes of drivers that have a record of
at-fault accidents, a record of traffic violations, or a combination thereof and
provide for premium differentials among those classes of drivers that may
provide for surcharges above and discounts below the rate otherwise charged.

(2) Procedures; revisions. – The insurer shall make its election by notifying the
Commissioner in a form prescribed by the Commissioner. An election shall
remain in effect until revised by the insurer. The driver incentive plan for an
insurer electing to implement its own plan shall be filed with the Commissioner
prior to its implementation and may be amended by the insurer provided that
any such amendment shall apply only to policies written or renewed at least 30
days after filing the amended plan with the Commissioner.

(3) Scope of plan. – The plan shall apply only to drivers, risks, and coverages that
have not been ceded to the North Carolina Reinsurance Facility, and the
provisions of the Safe Driver Incentive Plan as developed and promulgated by
the North Carolina Rate Bureau shall have no effect or application to drivers,
risks, and coverages retained by an insurer that has made an election under this
subsection and filed a driver incentive plan with the Commissioner."

SECTION 2. G.S. 58-36-75 is amended by adding a new subsection to read:

"(i) The provisions of this section shall have no effect or application to drivers, risks, and
coverages retained by an insurer that has elected to file and has filed an insurer-specific driver
incentive plan with the Commissioner under G.S. 58-36-65(n)."

SECTION 3. This act becomes effective September 1, 2017, and constitutes a recent